

REAL ESTATE COMMISSION  
Professional & Vocational Licensing Division  
Department of Regulatory Agencies  
State of Hawaii

MINUTES OF MEETING

Date: Friday, June 25, 1965

Place: Conference Room, 424 So. Beretania Street, Honolulu, Hawaii

Present: Jack K. Palk, Chairman (Oahu) Douglas R. Sodetani (Maui)  
Yukio Kashiwa, Vice Chairman (Oahu) William H. C. Young (Oahu)  
Harold J. Silva, (Oahu)  
Robt E. Bekeart, Executive Secretary

By Invitation

Wesley F. Charlton, representing Hawaii Real Estate Association

Absent: Dorothy S. Ahrens (Kauai) William A. Beard (Hawaii)  
Having notified the Executive Secretary in writing, both members are recorded as excused.

George P. Siu, Deputy Attorney General

Shirley B. Olds, representing Honolulu Board of Realtors

Call to Order: There being a quorum the Chairman, Mr. Palk, called the meeting to order at 1:45 p.m.

Minutes: The minutes of the previous meeting were corrected as follows:

Under Investigations: RE-174 FRED BLANCO on page 6, the statement is to read "... The members were of the opinion that the respondent broker had erred in not keeping all parties to the transactions advised of developments in negotiations. It was the consensus that in such transactions in the future the broker should exercise greater care in relating particulars of the deal to those participating. Mr. Blanco is to be advised of the Commission's position on his breaching the professional ethics required of a fiduciary and he is to be cautioned that the regulators do not expect similar reports of misconduct in the future."

UPON MOTION the Commission approved the minutes of May 13, 1965 with the above correction.

Motion passed unanimously.

Financial Report: The report for the month of May 1965 was noted and filed.

Business  
Out of  
Minutes:

LICENSING (Sections 170-1 through 170-14)

JUNE 22, 1965 EXAMINATIONS - The Executive Secretary reported the following statistics on applicants appearing for examination:

	<u>Candidates Examined</u>	
	<u>Broker</u>	<u>Salesman</u>
County of Hawaii (Hilo)	1	15
County of Hawaii (Kona)	0	3
City and County of Honolulu	52	382
County of Kauai	0	0
County of Maui	1	2
Total examined	54	402

REQUEST FOR RESTORATION OF LICENSE - CLARENCE J. HAMAISHI, BROKER  
RB NO. 2576 - The commissioners acknowledged receiving Investigation Report No. RE-183 as presented to the agenda. Following the discussion, it was agreed that a letter would be prepared for forwarding to Mr. Hirotoshi Yamamoto, Principal Broker, MANOA REALTY, CO. in whose employ it has been proposed Mr. Hamaishi will work. A copy of the letter is to be sent the applicant for restoration. The letter would state that should the Commission decide favorably on the restoration, his employment at MANOA REALTY, CO. would be conditioned on the following:

1. When the license is restored, Mr. Hamaishi is to work under the supervision of Mr. Yamamoto, the Principal Broker, who shall be accountable to the Commission for the employee's conduct.
2. The applicant is to establish refunding program in order to return moneys due investors in the abandoned HOTEL BEACH WALK TERRACE project. The program of restitution is to be founded on the applicant's compensation from his employment as a real estate salesman with MANOA REALTY, CO.
3. Mr. Yamamoto, as Principal Broker employer, will accept full responsibility for the applicant's compliance with the Commission's conditions.
4. The applicant is not to cease or terminate his employment with MANOA REALTY, CO. without first notifying the Commission and in turn receiving its approval.
5. It is to be understood and agreed that this action by the Commission to consider restoration is without prejudice to any prosecution of alleged violations of Mr. Hamaishi under Chapter 170, Revised Laws of Hawaii 1955, as amended, Section 170-12 as specifically recited in the Investigation Report dated July 18, 1961.

The members agreed that if the conditions above are breached, once accepted, the Commission would immediately commence a hearing for suspension and revocation of the license of Mr. Hamaishi and the employing broker, Mr. Yamamoto. Mr. Yamamoto and the applicant are to signify their acceptance of the conditions by signing the letter in the appropriate space and returning it to the office of the Commission at an early date.

In further discussion, the procedure was established whereby the proposed letter to Mr. Yamamoto would be forwarded, in draft form, to the Attorney General with a request that he advise the Commission on the following: (a) Under applicable laws and appropriate regulations does the Commission have the discretionary right to proceed with the restoration of a forfeited license when an investigation report points to a violation of the real estate licensing law; (b) does the Statute of Limitations bar the Commission from proceeding to a hearing on the violations recited in the July 18, 1961 investigation report; (c) if the Commission can move within its delegated authority of discretion, is the proposed letter of conditions that must be complied with a reasonable set of requirements; (d) is it an implied right of the applicant that the Commission must restore the forfeited license should the applicant choose not to accept the conditions and legally press for restoration of his license; and (e) can the Commission, on the facts presented in the July 18, 1961 investigation report, withhold restoration of the license pending prosecution of the recited violations.

UPON MOTION the Commission ruled that the Executive Secretary was to proceed at once to prepare the necessary correspondence. Motion passed unanimously.

SUBDIVISION (Sections 170-30 through 170-38)

LAKE HAVASU CITY TRACT NO. 118 - Mr. Sodemani reported on his examination of the registration. Having found the material in compliance with the requirements he recommended approval.

LAKE HAVASU CITY TRACT NO. 119-B - Mr. Young reported on his study of the documents and exhibits in this registration. He recommended acceptance of the filing.

LAKE HAVASU CITY TRACT NO. 121 - By a post-meeting advisement to the Chairman, the Executive Secretary reported the receipt of this registration. Having been found to be in order, the Chairman ordered the administrator to add it to the proceedings as accepted as a completed registration.

LAKE HAVASU CITY TRACT NO. 126 - Mr. Young reported similarly on this project and suggested that it be accepted as complete.

LAKE HAVASU CITY TRACT NO. 127-A - Mr. Silva reported on his examination of the filing. He stated that he believed the material

was in order and as a result of a recent visit to the development, he reports that conditions at the site as are represented in the registration. He recommended that the filing be accepted.

LAKE HAVASU CITY TRACT NO. 161 - Mr. Silva reported similarly on this project and recommended acceptance of the registration.

COLORADO CITY UNIT 5 SUBDIVISION - Under a written memorandum to the Executive Secretary, Mrs. Ahrens advised that she had examined the registration and the only matter that concerned her was the handling of purchasers' funds. This question was resolved to Mrs. Ahrens' satisfaction and she recommended acceptance of this filing.

UPON MOTION the Commission accepts as completed the Subdivision Registration Statements on the above projects.

Motion passed unanimously.

Mr. Silva, expanding on his report of examining the registrations of LAKE HAVASU CITY tracts, noted that he had only recently returned from an inspection of the Arizona properties at the Developer's expense. He found that the representations made in the documents and exhibits were in line with what he saw at the site. In anticipating any sensitiveness on this matter, Mr. Silva wanted the proceedings to reflect that he was selling this out-of-state offering, in his capacity as a broker, and if it was deemed appropriate at some future date he would disqualify himself when business pertaining to the LAKE HAVASU CITY registrations were before the Commission. The Chairman accepted Mr. Silva's statement.

CONDOMINIUMS (Sections 170A-1 through 170A-48)

REGISTRATION NO. 73 - THE MAILE TOWER - Final Public Report issued May 21, 1965.

REGISTRATION NO. 74 - THE YACHT CLUB - Final Public Report issued June 1, 1965.

REGISTRATION NO. 75 - HARBOR SHORES APARTMENTS - Final Public Report issued June 2, 1965.

REGISTRATION NO. 76 - THE KAMAAINA - Final Public Report issued June 4, 1965.

REGISTRATION NO. 77 - CASTLE SURF APARTMENTS - Final Public Report issued June 4, 1965.

REGISTRATION NO. 78 - VILLA MARINA - Final Public Report issued June 3, 1965.

REGISTRATION NO. 79 - CORAL SANDS OF WAIALUA - Final Public  
Report issued June 14, 1965.

The above information on projects carried over from previous proceedings was accepted by the Commission.

New  
Business:

LICENSING

UPON MOTION the Commission ruled that the licenses tentatively authorized for the following be approved, ratifying the action of the Executive Secretary:

Corporation

Corey Realty, Inc.

Lillian H. Corey, RPB

DBAs

Joseph L. Amoy	dba	Joe Amoy Realty
Calvin C. F. Lau	dba	Preferred Properties
Edward M. Takeyama	dba	Metropolitan Realty Co.
Wendell F. Brooks, Sr.	dba	The Real Estate Market

Branch Office

Action Agency  
(Betsy Christian)

404 Uluniu St., Kailua  
Sidney V. Kim, BIC

VALIDATION REQUIREMENTS - The PART III portion of the Commission's Rules and Regulations in regards to the CHARACTER AND REPUTATION section was discussed.

UPON MOTION the Commission ruled, after giving consideration to the administrative problems encountered in implementing the January 23, 1965 conditions, that the requirement of having each applicant for a real estate salesman license file an abstract or statement certifying that no criminal record exists shall be made as part of the procedures to be met by those who have been advised that they have qualified in the written examination. Further, the PROSPECTIVE EMPLOYER-BROKER statement is to be deleted from RECO FORM-11. It will no longer be a requirement for the pre-examination phase but once a person has been notified that he has qualified in the test, he will file a statement by the broker who will be his employer. The statement by the Principal Broker will be in such form as the Commission sets forth and the information to be submitted will be that prescribed by the regulatory body.

Motion passed unanimously.

CONDOMINIUMS - The Executive Secretary reported that Notices of Intentions on behalf of the following projects had been received:

(UNASSIGNED) - KE AEKAI

(UNASSIGNED) - MOKULANI APARTMENTS

(UNASSIGNED) - HALE KAAPALI

(UNASSIGNED) - MERIDIAN EAST

(UNASSIGNED) - KONA MARLIN

(UNASSIGNED) - MAKUA SHORES

(UNASSIGNED) - 1717 MAKIKI

(UNASSIGNED) - 417 NAMAHAHA

SUBDIVISIONS - UPON MOTION the Commission accepts as completed the Subdivision Registration Statements on the following:

HAILIMAILE VILLAGE SUBDIVISION (Maui)

NIU VALLEY HIGHLANDS UNIT I

HONOKAI HALE SUBDIVISION

ENCHANTED HILLS ESTATE UNIT V

WAIALUA TOWN TRACT 3 - UNIT 2

HOONANEA SUBDIVISION (Hawaii)

Investigation Reports: RE-177 WALTER M. HARADA - The members acknowledged receipt of the report and in discussion stated that it is their belief that this matter is criminal in nature, therefore, the matter should be forwarded to the Attorney General for prosecution. The Commission determined that the respondent, as a Developer under the Horizontal Property Act, had entered into a formal contract with a prospective purchaser of an apartment prior to the issuance of a Final Public Report.

RE-183 CLARENCE J. HAMAISHI - Reviewed earlier in the proceedings.

RE-185 PETER G. SHAYNE - The consensus, after the discussion, was that this matter be referred to the Attorney General for a final determination as to whether the activity of this unlicensed person was in violation of Chapter 170, RLH 1955, as amended.

In reviewing applicable sections of the licensing statute during the discussion of the PETER SHAYNE investigation report, the Commission stated that a request for an opinion should be made to the Attorney General as to whether this regulatory body can enjoin non-licensees whose conduct brings them into the definition section of the chapter and further, can the Commission assess the \$500 fine recited in Sec. 170-14, RLH, against licensees and those unlicensed.

Miscellaneous:

NALLO Western District Conference - The Commission's representative to the June 11-12, 1965 meeting in Vancouver, British Columbia, Canada, Mr. Sodehani, reported on the value one receives in attending law enforcement conferences such as this. His written report is to be forwarded through channels to the Governor.

1965 LEGISLATIVE PROGRAM - The Executive Secretary reported that none of the proposed changes or amendments to the licensing statute had cleared the Legislature. Various amendments to the Horizontal Property Act, specifically changes to Section 170A-2 and 170A-8 had been passed and were awaiting the Governor's action.

BROKER APPLICANT - WAIVER OF APPRENTICESHIP

WILLIAM H. BERGE - By an earlier review, the sub-committee had examined the information submitted by this applicant. He has been advised that his application to take the June 22, 1965 examination had been rejected.

HEINZ-GUENTHER PINK - The application was to be forwarded to the sub-committee for review and recommendation.

DEROGATORY ABSTRACTS OF CRIMINAL RECORDS - The Executive Secretary reported that the following - candidates for licenses or applicants for restoration of licenses, having had derogatory entries in their Abstract of Criminal Records are complying with the Commission's regulations that a commercial loan and character report, at the expense of the applicants, be filed as part of the requirements for issuance or restoration of a license:

CHING, Han Hsin  
944-C Ualakaa St.  
Honolulu, Hawaii

McCLAIRE, Morton R.  
1676 Kalakaua Avenue  
Honolulu, Hawaii

CHUN, Edwin Wun  
1106 Clio Street  
Honolulu, Hawaii

PAINE, Dennis A.  
310 Oahu Avenue  
Honolulu, Hawaii

FUJIMURA, Walter S.  
721 Birch St., Apt. "E"  
Honolulu, Hawaii

SALISBURY, Lawrence E.  
810 University Avenue, Apt. "103"  
Honolulu, Hawaii

GREEN, Robert M.  
41-1009 Laumilo Street  
Waimanalo, Hawaii

YOSHIOKA, Eugene T.  
45-716 Amoi Road  
Kaneohe, Hawaii

KIM, Richard D. K.  
1661 Piikoi Street  
Honolulu, Hawaii

LEWELLEN, Richard  
3946 Lurline Drive  
Honolulu, Hawaii

MILLER, Mary Ann  
614 Lawelawe Street  
Honolulu, Hawaii

deHARNE, Edward  
3093 Pualei Circle  
Honolulu, Hawaii

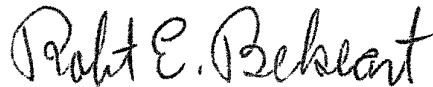
Date of  
Next  
Meeting:

The Commission agreed to convene in the County of Hawaii for its first quarter meeting in the new fiscal year. Tentative plans call for the members to assemble in Hilo, Friday, July 16, 1965, remain overnight at the county seat before journeying to Kailua-Kona to reconvene there Saturday, July 17.

Travel to the County of Kauai is scheduled for the second quarter of Fiscal 1966 - October, November or December.

A meeting in the County of Maui is tentatively programmed for April, May or June 1966 of this fourth quarter of the fiscal year.

Adjournment: There being no further business to transact, the Chairman declared the meeting adjourned at 3:55 p.m.



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ROBT E. BEKEART  
Executive Secretary

APPROVED BY THE COMMISSION

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JACK K. PALK, Chairman

sw 7/14/65